MINUTES - REGULAR MEETING
SANTA MARIA CITY COUNCIL

CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA

AUGUST 6, 2013

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Green, Orach, Zuniga, Mayor Patino.

STAFF MEMBERS PRESENT
City Manager Haydon, City Attorney Trujillo, and Chief Deputy City Clerk Garietz.

PUBLIC COMMENT
There were no requests to speak.

RECESS:
Mayor Patino recessed to a Closed Session at 5:30 p.m. for 1) Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9(a). *U.S. ex rel. Hendrix vs. J-M Manufacturing Company, et al.* and; 2) Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to Government Code Section 54956.9(b) (2 potential cases).

RECONVENE:
Mayor Patino reconvened the Regular City Council meeting at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Green, Orach, Zuniga and Mayor Patino.

STAFF MEMBERS PRESENT
City Manager Haydon, City Attorney Trujillo, Director of Community Development Appel, Fire Chief Orr, Director of Recreation and Parks Posada, Director of Utilities Sweet, Director of Administrative Services Visé, Director of Public Works/City Engineer Whitehead, Deputy City Manager Barnhard, Police Commander Don Rodriguez, and Chief Deputy City Clerk Garietz.

CLOSED SESSION REPORT:
City Attorney Trujillo reported that 1) Conference with Legal Counsel – Existing Litigation regarding Litigation Hendrix vs. J-M Manufacturing – direction to staff was given; and 2) Conference with Legal Counsel – Anticipated Litigation - 2 potential cases – no reportable action.

1. PROCLAMATIONS/PRESENTATIONS:
There were no proclamations or presentations.

2. PUBLIC COMMENT:
Pastor Mike Coleman representing Victory Outreach spoke about the City's population, events sponsored by the program, and an upcoming play called "Sandman Drama" featuring college students to take place at Santa Maria High School on Saturday, August 10, 2013. He also indicated they were building a new Community Center at 331 South Oakley, and the property was in escrow.

Mark Rademaker spoke about his religious beliefs.

Ernest Armenta spoke about C & D Zodiac employees, and suggested the City implement a living wage ordinance for employees in Santa Maria. He also spoke on behalf of taxpayers, and the termination of Lieutenant Ast.

Pastor Paul Berry representing Calvary Chapel commended Fire Chief Orr and Police Chief Martin on the National Night-Out Event. He also commented on Victory Outreach, its ministry, and the benefits it provides to the community.

CONSENT CALENDAR:
Councilmembers Boysen and Orach indicated that they had a conflict and would be abstaining from voting on Item 3C, Payment of Warrants.

Consent Calendar Items 3A through 3G (except 3C) were approved on motion by Councilmember Boysen, seconded by Councilmember Orach, and carried on the following vote: 5-0

AYES: Councilmembers Boysen, Green, Orach, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: None

Consent Calendar Item 3C only was approved on motion by Councilmember Zuniga, seconded by Councilmember Green, and carried on the following vote: 3-0-2.

AYES: Councilmembers Green, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: Councilmembers Boysen and Orach

A. ORDINANCES.
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES.
The Minutes of the Regular City Council Meeting of July 16, 2013, were approved as submitted.

C. WARRANTS.
Warrant Nos. 180732 to 180998 totaling $3,297,685.40 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant No. 180574 was cancelled.

D. PAYROLL.
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. OFFICE OF TRAFFIC SAFETY GRANT.
The City Council adopted a resolution authorizing the appropriation of $140,000 to be allocated to the Santa Maria Police Department under the provisions of the Office of Traffic Safety (OTS) Selective Traffic Enforcement program, Grant PT14128.

Resolution No. 2013-73 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROPRIATING FUNDING UNDER THE CALIFORNIA OFFICE OF TRAFFIC SAFETY GRANT PROGRAM #PT14128.

F. BID AWARD – EAST CENTRAL STREET RECONSTRUCTION; EAST AND WEST STOWELL ROAD ROADWAY SECTIONAL REPAIRS
The City Council adopted a resolution awarding the bid in the amount of $504,354.30 and approving an agreement with CalPortland Construction, for the East Central Street Reconstruction; East and West Stowell Road Roadway Sectional Repairs, Bid No. 2013/04.

Resolution No. 2013-74 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH CALPORTLAND CONSTRUCTION FOR BID NO. 2013/04, EAST CENTRAL STREET RECONSTUCTION; EAST AND WEST STOWELL ROAD ROADWAY SECTIONAL REPAIRS.

G. CALL FOR BIDS
The City Council granted approval to call for bids on the plans and specifications for Bid No. 2013/01, Irrigation Line Extensions: 400-700 Block East Boone Street and 400-700 Block East Camino Colegio.

REGULAR BUSINESS:

4. A REQUEST FROM NATIONAL STORES, INC., DBA FALLAS TO OCCUPY A VACANT BUILDING WITHIN THE DOWNTOWN SPECIFIC PLAN, 201 TOWN CENTER WEST, ASSESSOR'S PARCEL NUMBER 128-280-003, FILE NOS. DSPDR-2013-0001, E-2013-0005 (1.29 ACRES).
Director of Community Development Appel gave a presentation as detailed in the written Council Agenda Report. At the June 18, 2013, City Council meeting, with a 3-2 vote with Councilmembers Boysen and Zuniga dissenting, Council directed staff to draft findings supporting a denial of the Plan Development Permit. Council was requested to either adopt a resolution denying a Downtown Specific Plan Development Review Permit for Fallas; or adopt a resolution approving a Downtown Specific Plan Development Review Permit for Fallas in accordance with the conditions presented and introduce, for first reading, an ordinance establishing an interim zoning measure prohibiting "bargain basement" stores in the Downtown Specific Plan Area, and continue to the next meeting for second reading and adoption.

Public Input
Ernest Armenta commented on the division on the Council, and indicated that Council had to come together as a whole and agree.

Kimberly Torres spoke in favor of Fallas indicating that she was an employee and enjoyed working for the company.

Darcy Rosales spoke in favor of Fallas stating that she had been with the company for four years and believed the store would be a good addition to the City.

Henry Ciddio spoke in favor of Fallas indicating that he was also an employee. He discussed that Fallas would employ over 100 employees, and that he receives great health insurance benefits.

Maria Gonzales, an employee of Fallas, spoke in favor of the store stating she had previously worked in the fields, and that working for Fallas had given her a great opportunity for a better life and to provide for her child's college education.

Rosa Hernandez spoke in Spanish stating she had worked at Fallas for six years and was very comfortable with her job. She had also previously worked in the fields. She said Fallas was very flexible with their employees.

Mayor Patino summarized Rosa Hernandez's comments in English.

Penny Wright of Lompoc spoke in favor of Fallas stating she had been an employee in Lompoc for almost 2 months, and their customers ask why Santa Maria did not have a store.

John Humphrey, Store Manager of the Lompoc store, spoke in favor of Fallas indicating how Fallas provided great customer service, and that he was proud to represent the company. He thanked the City and Council for allowing Fallas to come into the area, and also for the opportunity to serve the community.

Lawnae Hunter spoke in favor of Fallas stating that she had been involved with the City for many years. The City had the opportunity to create living wage jobs, and the store should move forward. She suggested that the Council create a commission to look at creating business opportunities and housing to provide a business-friendly persona in the community.

Eileen Dickey Hunter spoke in favor of Fallas indicating that she lived in Orcutt, and believed that Fallas price points fit the Santa Maria market.

Gary Grossman spoke in favor of Fallas stating that what happened with the old Mervyn's building directly affected him and the Town Center West businesses. He indicated that the Council should not assume that Fallas was going to fail even with all the additional conditions being requested of them.

Susan Pazdan spoke in favor of Fallas indicating she lived in San Luis Obispo, and stated Fallas should be given a chance to try and see if they had what it took to succeed.

Natalie Taylor spoke in favor of Fallas stating that she knows how challenging it is to bring national tenants to a small community with the demographics that the City has. She spoke about bringing jobs to the City.

Roy Allen spoke in opposition of Fallas stating that some people did not want the Fallas store in the downtown area. There had been a number of photos presented to the Council demonstrating that the store's quality did not live up to what Fallas has said. He indicated that the City would need to have Code Enforcement involved so that Fallas keeps up their end of the bargain. He stated that he did not believe Fallas would provide a living wage that it would be more like minimum wage, and part-time work.

Karen Cordary spoke in opposition of Fallas and indicated that it would be wrong to put a discount store in the middle of town. She also commented on how proud she was of the Police Chief and Police Officers, and indicated that the City was in good hands.

Nancy Stewart spoke in opposition of Fallas stating that a plan was established for the Downtown Area to create business and growth. The store would not be part of the plan to have a regional draw to Santa Maria and the downtown area, and draw business. She commented that the employees that spoke worked 20-hours a week, and earned $8.00 or less, and were not full-time employees with benefits. She also expressed a concern for the merchants in the area.

Sandra Manichelli, Chief Financial Officer representing Fallas, thanked City Staff for working with them to address conditions that everyone could live with. They were in support of the revised conditions. She discussed that with the name brands they intended to sell would provide the regional draw that the City was looking for. They are very excited to open in the City, and will adhere to the conditions.

Aaron Thayez, District Loss Prevention Manager representing Fallas, spoke that it was his job to ensure a safe, shopable-sales store for customers. He is a resource to the District Manager. Fallas was implementing loss prevention programs within their stores, along with an undercover-agent program. He forges relationships with the local law enforcement, and has done so with the City's Police Department. A camera-system has also been implemented.

Rudy Lopez, District Manager for National Stores, Inc., ensures the store offers the best customer service in the City. He indicated that he guarantees that Santa Maria's store will not deteriorate under his watch.

Sandra Manichelli commented that Fallas was a national store and growing larger, but there was no analysis indicating that the Fallas store would not be a regional draw to Santa Maria. Fallas has invested four million dollars in the store to date. She indicated that they will abide by the conditions stated in the staff report.

Kate Neislander, attorney for National Stores, Inc., commented that the staff report listed five inconsistencies the General Plan and Specific Plan for the Downtown Area. The five inconsistencies could be condensed into two: 1) will Fallas be a regional draw, and 2) where is the factual report that Fallas was a discount store and would downgrade the character of downtown Santa Maria. She indicated that Attachment 7 of the Staff Report referred to Fallas as a second hand store or a dollar store. No justification was provided that Fallas would drag down the City's Town Center. Fallas believes the store is consistent with all the goals and policies of the General Plan and the Specific Plan. She indicated that Fallas was ready and willing to honor its commitment to the City. Fallas would do what it took to make the store a quality operation and one that all of Santa Maria would enjoy and appreciate.

Mr. Boysen questioned Ms. Manichelli about the conditions that have been provided as the final set of conditions for the Downtown Specific Plan Development Review Permit. He also asked her about Fallas' commitment and if they were in agreement with the conditions set forth. Ms. Manichelli confirmed Fallas' commitment, and affirmed their agreement with the conditions.

Written Communications
Two written communications were received from Ron Faas, who addressed inconsistencies within the staff report regarding fiscal considerations and community impacts; and from Gayle Macias, who addressed general concerns about the downtown area, the quality of life in Santa Maria, and the need for an art center.

Ex Parte Communications
Councilmember Orach stated that he had previous meetings with Sandra Manichelli, Chief Financial Officer of National Stores, Inc.; Dwight Rinderle, also representing National Stores, Inc., and Gary Grossman.

Councilmember Green stated that he also met with Gary Grossman and representatives from the National Stores Inc.

Council Discussion
Councilmember Boysen stated that his thoughts on the issue had not changed, and was prepared to move forward.

Councilmember Zuniga was in agreement with Councilmember Boysen that per position also had not changed.

Councilmember Orach commented that he had initially made the motion to deny the Fallas project. He had been highly disappointed with the Bakersfield store, but the San Jose store was quite the opposite and was nice. He stated that with the additional conditions and the assurances that the Santa Maria store would be a AAA-Flagship store, he felt more comfortable with the idea. The store could possibly have a regional draw with the name brands Fallas proposes to sell.

Councilmember Green commented that the Council would consider testimony received; but both parties win if the conditions are met.

Mayor Patino stated that she has been a business owner. She was pro-business and believed that it was extremely important that Santa Maria had quality businesses. She attended the Downtown Specific Plan meetings and there was a need to have businesses to be drawn to the downtown area. She said she also traveled to the Bakersfield store and was not impressed. She indicated that she really did not believe Fallas will have the regional draw the City had envisioned.

Resolution No. 2013-75 was not voted on.

Resolution No. 2013-75 was not adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, DENYING DOWNTOWN SPECIFIC PLAN DEVELOPMENT REVIEW PERMIT (FILE NOS. DSPDR-2013-0001/E-2013-0005) FOR FALLAS DISCOUNT STORE, LOCATED AT 201 TOWN CENTER WEST, ASSESSOR'S PARCEL NO. 123-280-003.

Resolution No. 2013-76, along with the revised Exhibit A, was adopted approving the Downtown Specific Plan Development Review Permit for Fallas located at 201 Town Center West, APN 123-280-003, on motion by Councilmember Boysen, seconded by Councilmember Zuniga, and carried on the following vote:

AYES: Councilmembers Boysen, Green, Orach, and Zuniga
NOES: Mayor Patino
ABSENT: None
ABSTAIN: None

Resolution No. 2013-76 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A DOWNTOWN SPECIFIC PLAN DEVELOPMENT REVIEW PERMIT FOR FALLAS, DSPDR-2013-0001, LOCATED AT 201 TOWN CENTER WEST, ASSESSOR'S PARCEL NO. 128-280-003.

City Attorney Trujillo reminded the Council of staff's recommendation to introduce an interim zoning measure ordinance.

Ordinance No. 2013-08 was introduced by title only for first reading and continued to the next meeting for second reading and adoption establishing an interim zoning measure on bargain basement stores in the Downtown Specific Plan Area for 45-days on motion by Councilmember Orach, seconded by Councilmember Green, and carried on the following vote:

AYES: Councilmembers Boysen, Green, Orach, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: None

Ordinance No. 2013-08 introduced. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ESTABLISHING AN INTERIM ZONING MEASURE ON BARGAIN BASEMENT STORES IN THE DOWNTOWN SPECIFIC PLAN AREA.

CITY MANAGER'S REPORT

City Manager Haydon reported on items anticipated for the August 20, 2013, City Council Meeting to include two resolutions of recognition to Block Grant Advisory Committee members, a presentation of the Annual Reports from the Chamber of Commerce and Economic Development Commission, a public hearing regarding medical marijuana dispensary prohibition, and a regular business item regarding the Fourth Quarter Report for Fiscal Year 2012-13. City Manager Haydon also announced that one year ago today, Police Chief Martin came onboard to assist in the City.

ORAL REPORTS BY COUNCILMEMBERS REGARDING AB1234

Councilmember Boysen reported that he had been on vacation in Hawaii, attended the Family Night Out at the Park event. He announced that the Santa Barbara County Animal Services and Santa Maria Valley Humane Society had joined together for spade and neutering services at a cost of $10.00 for anyone in the 93458 zip code area.

Councilmember Orach reported that he attended the Concerts in the Park, and the Chamber of Commerce sponsored event regarding a green economy. He also commented on the new Fire Truck at the Airport.

Councilmember Zuniga reported that she attended the Downtown Merchant's Association Meeting, the Concert in the Park at Preisker Park, participated in Good Samaritan's Back to School Shopping trip with 50 to 60 children, and met with Mexican Consul Ceballos with the Mayor Patino.

Councilmember Green reported that he attended the League of California Cities Channel Counties Division meeting in Goleta, and the Literacy Council meeting.

Mayor Patino reported that she attended an SBCAG Briefing, a Planning Commission Meeting, the SBCAG Monthly Board Meeting, the Air Force Civil Engineering Center Assessment, the Transitional Youth Services Leadership Camp Ceremony, the open house for Helical Products Company, Inc., the Green Business – Energy Efficiency Forum, the State Route 166 Task Force Meeting, the Central Coast Literacy Council's Strawberry Shortcake Social, the Swearing in for Police Officer Scott Casey,

the Marian Regional Medical Center Celebration of 20 Years of Excellence in heart care, the Technical Transportation Advisory Committee, lunch with new Consul Berenice Ceballos from Mexico, the North County Sub-Regional Meeting Briefing, and the National Night Out Event.

ADJOURNMENT:
There being no further business to come before the City Council at this time, Mayor Patino declared the meeting of the City Council adjourned at 8:00 p.m.

APPROVED

August 20, 2013
Date

Rhonda M. Garietz
Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

Alice M. Patino
Mayor of the City of Santa Maria

ATTEST

Rhonda M. Garietz, CMC
Chief Deputy City Clerk